NONPROFIT BRAND STRENGTH’S MODERATIONAL ROLE

Abstract

The nature and characteristics of the nonprofit brand strength construct are conceptualized. Brand strength is defined as a multidimensional construct, composed by brand familiarity, brand remarkability, and brand attitude. Brand familiarity refers to the level of knowledge the target audience has about the brand object. Brand attitude refers to the degree to which a brand object is perceived favorably by a target group. Brand remarkability refers to the degree to which a brand object is perceived by a target group to be extraordinary. In the brand management nomological net, brand strength acts as a moderator, influencing the strength of the relationship between marketing tactics (antecedents) and marketing outcomes (consequents). Brand strength’s inter-dimensional relationships are conceptualized. A brand strength strategy grid is presented, which informs brand management strategy based on a brand’s current levels of brand familiarity and brand remarkability.

Keywords: Brand, brand strength, brand image, brand strategy, brand familiarity, brand remarkability
1. Introduction

What does it mean to say that a brand is strong? What is brand strength? How does a manager develop and maintain a strong brand? What are the benefits and outcomes of having a strong brand? There has been substantial prior research on the various parts of the brand nomological network (net). However, the absence of conceptualizing and measuring brand strength remains a substantive gap in the literature. While prior research has discussed strong brands in terms of their likely correlates or outcomes, the field has not conceptualized the nature and characteristics of the brand strength construct.

It appears obvious to marketing professionals that it is desirable to have a strong brand. A strong brand is desirable because of the potential benefits that having a strong brand implies. Because brand strength produces favorable marketing outcomes, it is surprising that the conceptualization and measurement of brand strength has received very little attention in prior marketing research, even in articles in which terms like “brand strength” or “strong brands” are used and the importance of strong brands is mentioned (Henderson et al., 2003; Hoeffler, Keller, 2003; John et al., 2006; Keller, 1993).

Biel (1992) argues that marketing scholars have not articulated the underlying characteristics that make a brand strong. Two decades later, the brand strength construct still has not been adequately conceptualized. MacKenzie (2003) finds that failure to adequately specify the conceptual meaning of a study’s focal constructs is a common source of invalid research. One purpose of this paper is to provide a conceptualization of nonprofit brand strength. It seems erroneous to invest in brand management tactics in order to achieve the benefits of a strong brand without first understanding what a strong brand actually is.

Another purpose of this paper is to conceptualize the moderating role of brand strength. The motivation for investing in brand management activities is to achieve the benefits that are believed to be a consequence of having a strong brand. It is, therefore, apparent that brand strength plays a role in the relationship between brand management activities and their desired marketing outcomes or consequents. This role will be discussed in an effort to improve our theoretical understanding of brand strength and its relationship within its nomological net.

2. Conceptualizing Brand Strength

A brand represents how the public (or a target group or target audience of interest) perceives or comprehends the organization (Simoes, Dibb, 2001). “A brand is a psychological construct held in the minds of all those aware of the branded product, person, organization, or movement” (Kylander, Stone, 2012: 37). Henceforth, the entity that is branded (product, person, organization, or movement) will be referred to as the branded object.

Nonprofit organizations do not typically brand discrete products or services. Instead their brand is derived by a target audience’s perceptions of their organizations (Daw, Cone, 2011). Hence, a brand needs to be construed as a target group’s comprehension of the organization (Tapp, 1996). Therefore, we define a brand as target groups’ comprehension of the organization based on their experiences with the organization and information they have received about the organization (Brown, 1992; Daw, Cone, 2011).

The brand strength construct has an individual as well as a comparative quality. An organization can be a weak brand if it is relatively unknown or if target audiences perceive it to be mediocre. A brand may also be weak or strong, by a target audience’s comparison of the organization with its peers (peer brand set). The strength of a brand is based on the perceptions of a target group or audience of managerial interest. This view is consistent with that of Dacin and Smith (1994), who argue that brand strength should be construed from the perspective of a target audience or group. For a consumer product brand, this might be the target consumer group. For a nonprofit organization, this might be the general population or some population subgroup (Helmig, Thaler, 2010). Based on a review of the branding literature, it is argued that a strong brand, compared to a weak brand, has the following properties:

1. A strong brand is well-known to a target group of interest.
2. A strong brand is favorably perceived by a target group of interest.
3. A strong brand is believed to be exceptional and extraordinary in comparison to peer brands by a target group of interest.
2.1 A Strong Brand is Well-Known

An organization would want its brand to be well-known to target groups of managerial importance. The characteristic of being well-known refers to how familiar a target group is with a branded object. Napoli (2006) argues that the more well-known a charity brand is, the stronger it is.

Prior research in consumer products branding has recognized the importance of brand familiarity and its probable antecedent relationship to purchase intention, repeat purchase, brand recall, and other consequent variables (Aaker, Keller, 1990; Campbell, Keller, 2003; Hoyer, Brown, 1990; Kent, Allen, 1994; Laroche, Zhou, 1996). Hoeffler and Keller (2003) argue that consumer familiarity (based on ownership, prior knowledge, or brand exposure) has served, in prior research, as a proxy for strong brands.

There is some similarity between brand familiarity and brand awareness. Brand awareness, however, is a construct with limited applicability and which is subsumed into brand familiarity. One is either aware of the brand object or not. It is not descriptive to assess the degree to which one is aware of a brand. For example, what does it mean to say one is very aware of the brand object or merely somewhat aware of the brand object? However, brand familiarity incorporates brand awareness and adds a magnitude facet. For example, if one is not aware of the brand then one is also not familiar with the brand. If one is aware of the brand, the degree to which one is familiar with the brand will vary along a familiarity continuum.

Brand familiarity is a necessary but insufficient component of brand strength. While a strong brand may be one with which an important group is familiar, a familiar brand may be unpopular or disliked (and therefore, weak). It is possible for a familiar brand to be perceived as mediocre in comparison to a peer brand, suggesting the mediocre brand is comparatively weak. Hence, in addition to being a familiar brand, the brand must also be perceived favorably by the target group of interest. This leads into the second characteristic of a strong brand.

2.2 A Strong Brand is Favorably Perceived

Being perceived positively relates to the attitude concept. Since attitude has a valence and a magnitude, attitude is well-suited as a means of assessing the degree of favorability with which the organization or other branded object is perceived by a target audience. Prior research in commercial branding has recognized the importance of brand attitude and its probable antecedent relationship to outcome variables indicative of a strong brand, such as brand equity (Faircloth et al., 2001; Kardes, Allen, 1991; Keller, 2001; Lane, Jacobson, 1995; Park, Young, 1986; Simonin, Ruth, 1998). Dacin and Smith (1994) argue that the favorability of consumers’ brand predispositions is important in conceptualizing brand strength.

Like familiarity, a favorable attitude is a necessary but insufficient component of a strong brand. For example, most well-known charities are perceived favorably by the public. Many charities do good work and enjoy favorable public attitudes. For a charity to be considered the strongest brand in its class, however, something additional is required. Among charities having similar missions and attracting donations and volunteers from the same population, it is the stand-out, exemplar, and best organization which will attract the most support, thus indicating an additional characteristic is also a component of brand strength.

2.3 A Strong Brand is Exceptional and Extraordinary in Comparison to Peer Brands

This brand strength characteristic pertains to how exceptional a target group perceives a brand in comparison with other brands in its class. Brand strength is an interesting concept in that it has a comparative quality. If a community has three similar nonprofit organizations, the organization with the greatest brand strength would be perceived as exceptional in comparison with the other two organizations. If an organization is viewed as no better than similar organizations, then this perception of being average would imply a brand of average strength. If an organization is perceived as being worse than similar organizations, then one would expect this organization’s brand strength to be below average. Prior literature supports the argument that a strong brand needs to be perceived as exceptional and extraordinary (Godin, 2009; Hildreth, 2010; Temple, 2011; Vrontis, 1998). Biel (1992), for example, argues that salience within a product class is a requirement of being a dominant brand. Simoes and Dibb (2001) argue that a dominant brand needs to have some aspect of uniqueness and it needs to be perceived as representing quality. We believe they were referring to the need of a dominant brand
(the strongest brand in its class) to be perceived as differentiated and superior in comparison with its peer brands.

Brand remarkability, as a dimension of brand strength, helps to overcome a conceptual error in prior literature that conflated differentiation with superiority. For example, Aaker (1996) argues that differentiation (being different from competing brands) was the essential characteristic of a brand that enabled it to command a price premium. However, simply being different is insufficient to make a brand strong. A brand object can be different, but in a negative manner. A brand object can be different, but in a manner that does not make it the preferred brand among potential supporters. Hence, remarkability is assessed from the perspective of the target audience or group and refers to the extent to which the brand object stands out in an exceptional manner from peer brands.

2.4 Construct Definitions

Based on the preceding discussion and literature review, brand strength is defined as the degree to which a brand is well-known to a target group, is perceived favorably by a target group, and is perceived to be remarkable in comparison to peer brands by a target group. Hence, brand strength is conceived as having three dimensions: brand familiarity, brand attitude, and brand remarkability. Brand familiarity refers to the level of knowledge the target audience has about the brand object. Brand attitude refers to the degree to which a brand object is perceived favorably by a target group. Brand remarkability refers to the degree to which a brand object is perceived by a target group to be extraordinary.

3. Brand Strength as a Moderator

The purpose of marketing is to attract support to the organization. Hence, marketing tactics, if successful, should increase support for the organization. For a business, support might come in the form of increased sales; for a politician, increased votes. For a membership organization, support might be manifested by increased member retention or recruitment. For a charity, support might be manifested by increased donations.

This cause and effect relationship is perhaps too simple because increased levels of marketing activities do not always result in proportional increases of support. Marketing activities have to be appropriately planned and implemented to result in increased support. Therefore, other constructs are present in the marketing activities → marketing outcomes nomological net. In Figure 1, a simple cause and effect (antecedent → consequent) nomological net is presented.

Referring to Figure 1, marketing activities are seen as a bundle of antecedents which have influence on our target audiences, resulting in some level of the outcomes we hope to achieve from our marketing efforts. In Figure 2, we have a more specific example in which our antecedents are represented in a fundraising campaign and our consequents are represented in the donations (individual contributions) we have attracted from the campaign.

Researchers are not only interested in antecedent-consequent relationships, but they are also interested in moderating influences on these relationships. A moderator is a variable that affects the direction or strength of the antecedent’s influence on its consequent (Baron & Kenny, 1986). Prior research in the nonprofit marketing area demonstrates an interest in moderating relationships.

Figure 1 Simple nomological net

Source: Author
For example, Shoham et al. (2006) reported three different moderators of the market orientation (antecedent) – organization performance (consequent) relationship: location, market orientation operationalization, and the performance measure used. In a prior study on cause-related marketing advertising, Tangari et al. (2010) found that consumers’ temporal orientation (present or future) moderated the effect of the temporal framing within the cause-related ad on audience outcomes (purchase intentions and attitude toward the brand). On a study of charitable advertising, White and Peloza (2009) examined the type of appeal embedded in the ad (self-benefit versus other-benefit) on consumers’ response to the ad.

In continuing with the search for important moderators in nonprofit marketing research, I propose that brand strength is an important moderator in various types of nonprofit marketing antecedent-consequent relationships.

For example, it is reasonable to expect that a well-known organization enjoying an excellent reputation (i.e., a strong brand) should receive more donations than an unknown organization or an organization with a poor reputation (i.e., weak brands). Hence, brand strength appears to have a moderating influence on the relationship between the fundraising campaign and the resultant contributions. Brand strength, as a moderator, is depicted in Figure 3.

Referring to Figure 3, the moderator, brand strength, influences the strength of the relationship between the antecedent (exogenous) and consequent (endogenous) constructs. Brand strength is measured as a continuous (interval) variable.
4. Brand Strength’s Inter-Dimensional Dynamics

Brand strength is conceptualized as having three dimensions: brand familiarity, brand remarkability, and brand attitude. The three dimensions are distinct, but are obviously inter-related. The conceptual domain of brand strength is depicted in Figure 4 to illustrate the inter-dimensional relationships.

In providing an inter-dimensional theory of brand strength, it must be remembered that brand strength is a psychological construct.

Figure 4 Brand strength’s inter-dimensional relationships

Source: Author

Brand strength is derived from the perceptions of individuals from groups of managerial importance. With respect to Figure 4, brand familiarity is presented as the prime mover. If an organization is unknown to a target audience (i.e., familiarity = 0), members of the target audience are unable to form perceptions of brand remarkability and to formulate brand attitudes. Brand familiarity has received considerable attention in prior research (Merabet, Benhabib, 2014). It has long been recognized that a certain level of brand familiarity is antecedent to audience outcomes. Brand familiarity, however, is a necessary but insufficient condition for favorable audience outcomes.

Once a target audience has some level of familiarity with the organization, perceptions of remarkability are formed. Target audiences need some level of familiarity with the brand object in order to form opinions about the brand object’s (the organization) relative quality, and how the brand object compares to its peers (its level of comparative superiority). In prior research, audience perceptions of brand quality have been found to be key influencers of target group perceptions of the brand’s value (Gammoh et al., 2014).

Brand attitudes are formed last in our temporal sequence. This claim is supported by prior research and by logical deduction. For example, Manthiou, Kang, and Schrier (2014) found that brand awareness influenced brand quality perceptions, which influenced brand image. Attitudes have a valence (polarity) and magnitude (strength). Familiarity is the primary influencer of attitudinal magnitude; remarkability is the primary influencer of attitudinal valence. That is, brand familiarity and perceptions of brand remarkability are antecedent to brand attitudes. Some level of knowledge and awareness of the brand is required to develop a perception of the brand’s comparative quality with its peers, and both are required to formulate brand attitudes. The inter-dimensional theory of brand strength has managerial implications, which will be discussed next.

5. Discussion

Understanding the inter-dimensional theory of brand strength informs brand management planning. Managerial emphasis is best placed on increasing familiarity and remarkability. Attitudes are derived from familiarity and remarkability, making the great attention placed on attitudes in prior literature of questionable value.

With the goal of having a strong brand, managerial emphasis should begin with creating an exceptional organization (high remarkability), and then describing this remarkability can be embedded in communications activities that increase audience familiarity with the organization. If managers have not begun with this brand-orientated emphasis, then they can assess their current brand strength status as a diagnostic tool for informing subsequent brand management strategies. This is illustrated in Figure 5.

In Figure 5, a four-cell grid is presented in which remarkability is placed on the horizontal axis, and familiarity is placed on the vertical axis. Each dimension (i.e., remarkability and familiarity) is partitioned into high and low conditions. Hence, an organization, depending on its brand strength dimension scores in comparison with its peers, can be placed into one of the four cells or quadrants.
The upper right quadrant in which the organization is well-known and remarkable is the most desirable position. This organization is a strong brand. The brand strategy should be to maintain its strong brand position. The organization should practice continuous improvement management, ensuring that stakeholder groups’ perceptions are guiding the direction of improvement. The organization should also have a regular program of communication with stakeholder groups and potential supporters.

In the bottom right quadrant, the organization is remarkable (or would be perceived as such if more people were familiar with the organization), but is little known. In this situation, the marketing strategy should place an emphasis on promoting the organization to target audiences so that the level of familiarity with the organization among target audiences increases. Greater familiarity should result in a strong brand (the upper right quadrant), in which case the marketing strategy will shift to a maintenance strategy. The key difference between the maintenance and promotion strategies is that the promotion strategy involves a more intensive communication program.

In the bottom left quadrant, target audiences are unfamiliar with the organization. However, if they were more familiar with organization they would perceive it as relatively unremarkable. The strategy should be to first improve the organization to increase its remarkability (innovation). Once a substantial level of remarkability has been achieved, then an intensive program of communication to target audiences can begin to increase familiarity with the organization (promotion). Obviously the communication messages will describe the organization’s remarkability. Once the brand has become strong (moved to the upper right quadrant), a shift to a maintenance strategy is appropriate.

In the upper left quadrant, the organization is well-known (high familiarity), but is regarded to be unremarkable. Although it may appear to be advantageous to have a high level of familiarity, this quadrant is the least desirable with respect to marketing strategies. Because the organization is well-known, target audiences have formed an understanding of the organization that is relatively fixed and enduring. Changing existing audience beliefs from unfavorable to favorable is a challenging task. This marketing strategy is called repositioning. Audiences must be convinced that the organization has undertaken major improvements.

Successful repositioning requires major organizational changes (which may involve operational changes and leadership changes). Once the major improvements have resulted in an organization that will be perceived to be remarkable, an intensive communication program featuring the metamorphosis of the organization can be undertaken. A repositioning strategy is sometimes accompanied by an organizational name change to signal to target audiences that the organization is substantially renovated that it can be considered to be a different organization.

### 5.1 Future Research

While there has been considerable prior research in the branding area, this body of work has often been inconsistent and fragmented (Wymer, 2013a). Prior research in branding has often exemplified applied research rather than basic research. That is, much of the prior research in branding was contextually designed for a specific industry setting, reducing the validity of the research (Wymer, 2013b). This explains the unsuitability of directly applying brand construct definitions and their scales to other settings, like nonprofit organizations (Liao et al., 2001). The concepts presented in this paper were developed in such a manner to be applicable across organizational contexts. Future research is needed to test the validity of this theoretical paper’s conceptualization of brand strength, its dimensions, its moderating role, and its inter-dimensional relationships. While the parsimonious theory of brand strength
presented in this paper may serve to enlighten our understanding of many marketing antecedent-consequent relationships, this potentiality will have to be examined in future research. For example, including brand strength as a moderator in advertising research that examines advertising effectiveness on audience outcomes may help to account for varying levels of explained variance across studies.

A six-item Likert scale has been developed for measuring brand strength (Wymer et al., 2012). The scale items are presented in Table 1. The conceptual domain of each dimension is reflected by three statements. Wymer, Scholz, and Helmig (2012) report on the psychometric properties of the brand strength scale. Future research on brand strength is facilitated by the use of this scale. However, it would also be desirable for future research to continue to evaluate and refine the scale, if needed.

Table 1 Brand Strength Scale

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Item Statement</th>
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<tbody>
<tr>
<td>Brand Familiarity</td>
<td>I am knowledgeable about Guide Dogs’ activities.</td>
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<tr>
<td></td>
<td>I am able to describe Guide Dogs to others.</td>
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<td></td>
<td>I have a good understanding of what Guide Dogs has done in the past.</td>
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<tr>
<td>Brand Remarkability</td>
<td>No organization is better than Guide Dogs at doing what it does.</td>
</tr>
<tr>
<td></td>
<td>Guide Dogs really stands apart as being exceptional.</td>
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<tr>
<td></td>
<td>Guide Dogs stands out in comparison to others.</td>
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<tr>
<td>Brand Attitude</td>
<td>I have positive thoughts when I think of Guide Dogs.</td>
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<tr>
<td></td>
<td>I like Guide Dogs.</td>
</tr>
<tr>
<td></td>
<td>I have a positive impression about Guide Dogs.</td>
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References


Moderirajuća uloga snage neprofitnoga brenda

Sažetak
Izvršena je konceptualizacija prirode i karakteristika konstrukta snage neprofitnoga brenda. Snaga brenda definira se kao multidimenzionalni konstrukt koji se sastoji od poznatosti brenda, izuzetnosti brenda te stava prema brendu. Poznatost brenda odnosi se na razinu znanja koju ciljana publika ima o objektu brenda. Stav prema brendu odnosi se na stupanj u kojem ciljana grupa pozitivno percipira brend. Izuzetnost brenda odnosi se na stupanj u kojem ciljana grupa percipira objekt brenda kao izvanredan. U nomološkoj mreži upravljanja brendom, snaga brenda djeluje kao moderator koji utječe na snagu odnosa između marketinških taktika (koje prethode) i marketinških ishoda (koji slijede). Konceptualizirani su međudimenzionalni odnosi snage brenda. Prezentirana je strateška rešetka snage brenda koja je osnova strategije upravljanja brendom, a temelji se na trenutnoj razini poznatosti brenda i izuzetnosti brenda.

Ključne riječi: brend, snaga brenda, imidž brenda, strategija brenda, poznatost brenda, izuzetnost brenda